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FEBRUARY 20, 1947

Town Meeting



BULLETIN OF AMERICA'S TOWN MEETING OF THE AIR

BROADCAST BY STATIONS OF THE AMERICAN BROADCASTING CO.



Should Congress Outlaw the Closed Shop?

Moderator, GEORGE V. DENNY, JR.

Speakers

JOSEPH H. BALL

WARREN G. MAGNUSON

Interrogators

LEO WOLMAN

MARK STARR

(See also page 14)

COMING

—February 27, 1947—

How Can We Get and Keep Good Teachers
in Our Schools?

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THE BROADCAST OF FEBRUARY 27:

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BULLETIN OF AMERICA'S TOWN MEETING OF THE AIR

GEORGE V. DENNY, JR., MODERATOR



FEBRUARY 20, 1947

VOL. 12, No. 43

Should Congress Outlaw the Closed Shop?

Announcer:

Once again the doors of historic Town Hall in New York City open wide for another lively session of America's Town Meeting of the Air brought to you each week by Town Hall and the American Broadcasting Company.

Each week at this hour we invite you and your friends to join with other patriotic Americans throughout the country in a discussion of a problem of national or world-wide importance.

Tonight we consider America's No. 1 domestic problem—labor-management relations — "Should Congress Outlaw the Closed Shop?" Decisions on the question—decisions that will directly affect your future welfare—are about to be made in the Congress of the United States.

You will be expected to have an opinion on this question. Will it be an informed opinion or one based on prejudice? Your Town Meeting invites you to put aside

prejudice and give your mind a chance to hear both sides.

Now, we present our moderator, the president of Town Hall, New York, and founder of America's Town Meeting of the Air, Mr. George V. Denny, Jr. Mr. Denny. (*Applause.*)

Moderator Denny:

Good evening, neighbors. Tonight we are going to consider your part in a proposed solution to one phase of the labor-management problem—"Should Congress Outlaw the Closed Shop?"

Congress is composed of your representatives. Congress makes the laws. It has been considered that the role of Congress is to make laws and rules which will provide for fair play and equal justice for all the citizens of the country, with respect to their work together, as well as their conflicts.

You've heard many discussions on the labor-management question

on this program since 1936 when the Wagner Act was enacted. The growth of organized labor under this Act has been greater than any similar period.

Now voices are being raised saying that the pendulum has swung too far, and that organized labor has too much power. Proposals have been made to limit the right to strike, to revise the Wagner Act, to institute labor-management courts, and to otherwise restrict the power of labor.

The proposal to outlaw the closed shop is one of those now before Congress, and your Town Meeting presents two distinguished United States Senators and two experts in this field to counsel with us on this subject.

Senator Ball has introduced a bill which makes unlawful any contract or agreement making either membership or nonmembership in a union a condition of employment. That is the bill we are discussing tonight.

Senator Magnuson, Democrat of Washington, opposes the passage of this bill.

Dr. Leo Wolman, professor of economics of Columbia University, and Mark Starr, educational director of the International Ladies' Garment Workers Union, will serve as our special interrogators.

We hear first from the Republican Senator from Minnesota, a member of the Senate Labor and Welfare Committee, the Honor-

able Joseph H. Ball. Senator Ball. (*Applause.*)

Senator Ball:

Congress should outlaw all forms of compulsory union membership—the closed shop, union shop, and maintenance clauses—which make an employee's job and livelihood dependent on union membership.

Last week a prominent American and a union member, Cecil B. DeMille, appeared before our Senate Committee and told how he was forced to give up a radio program because he had refused to make a contribution to a union political campaign with which he was not in sympathy.

A few weeks ago, in Milwaukee, some 8,000 employees of the Allis-Chalmers Company, who have been on strike for nearly a year, voted to decide whether they would be represented by the UAW-CIO or by an independent union. The vote was split almost equally. A closed shop in this situation would force half of a company's employees to join and support a union with which they are in violent disagreement.

These are not isolated cases. They may and do apply to fifteen million union members. The closed shop contract is peculiar to America. Until very recently it was never sought by labor movements in other countries.

Here it grew out of the fanatic opposition to unions which pre-

veiled a few decades ago among employers, whose open shop often was closed against any union member. The closed or union shop became a symbol of union security against employer opposition.

Passage of the National Labor Relations Act in 1935 eliminated that valid reason for the union shop. Employers now are compelled by law to recognize and bargain with unions which enroll a majority of their employees, and are prohibited from discriminating in any way against union employees.

With the present tremendous strength of unions, compulsory membership has become almost entirely a device to consolidate the power of unions—not their power to deal with employers, but their power over employees.

The abuses of this power by unions during the war are notorious. Many employees were fired because they incurred the disfavor of their unions by producing too much.

There are some unions where there is little, if any, abuse. But the fact that here and there in history we find benevolent despots is no valid argument for the institution of tyranny.

Senator Magnuson knows, as well as I do, that the closed shop is a deeply illiberal device. It turns over to an outside agency—the union—very often dominated by a militant minority, or even

a single official, absolute control over the individual's right and opportunity to work and earn a living in his chosen occupation. The temptation to abuse that power is too great to place before any human being—even union leaders.

The closed shop violates two fundamental American principles: (1) that all individuals should enjoy the maximum freedom, consistent with enjoyment of the same degree of freedom by all others; and, (2) that any monopoly in private control is wrong and dangerous in a free society. (*Applause.*)

Actually, the closed shop is just as wrong in principle as the hated "yellow-dog contract" by which employers sought to make non-membership in a union a condition of employment. In fact, when we were drafting the bill which I introduced to outlaw the closed shop, we found, that to make good sense, we had to outlaw yellow-dog contracts as well, even though the latter have been illegal since 1932. The principle involved is identical.

This bill makes unlawful any contract or agreement making either membership or nonmembership in a union a condition of employment. It also repeals the proviso in Section 8-3 of the Wagner Act which legalizes closed shop contracts, thereby making them unfair labor practices.

The closed shop is wholly inconsistent with the major purpose of that Act, which is to assure to employees full freedom to join or not to join unions.

Since this bill was proposed, I have listened to and read a great many arguments against it. One is that outlawing the closed shop will create chaos in certain industries where it prevails. Instead, it is argued, Congress should regulate the closed shop and prevent abuses under it.

That strikes me as a little like trying to make sure that we have a benevolent form of slavery instead of abolishing it.

But will outlawing the closed shop create chaos in industry? I submit that wherever closed shop unions are doing a good job for their members and really have their voluntary support, employees will remain 100 per cent union and there will be little change.

Where union leaders are supported only because of the compulsion of the closed shop, they will have trouble and they should have trouble!

Another argument for the closed shop is the familiar free-rider reason—that all employees benefiting from a union contract should help pay the costs of the union. Those who make this argument assume that unions, like governments, should have the power to tax, and that American workers generally are chiselers, unwilling to pay for

benefits actually received. I will not accept either assumption as valid.

The main thesis of those who favor compulsory union membership today is that without it individual employees either will drop out of a particular union, or join a rival raiding union, and that thereby, in the long run, unions will be hurt, and the employees themselves will suffer.

That line of reasoning must assume that individual workers in America are too stupid to make proper decisions for themselves, even in their own interests, and that union leaders must make their decisions for them.

That, I submit, is completely totalitarian thinking, typical of that which prevailed in Nazi Germany and prevails today in Soviet Russia—namely, that the people are too stupid to know what is good for them, to decide for themselves, and that some particular group must have dictatorial power to make their decisions for them and compel them to go along.

The American labor movement cannot play its full part in a free and democratic America as long as it clings to this shabby, bread-and-butter compulsion over its members. Thank you. (*Applause.*)

Moderator Denny:

Thank you, Senator Ball. Now that we have your bill in mind and the principal argument in its favor, let's hear from your col-

league on the other side of the House, Senator Warren G. Magnuson, Democrat of the State of Washington, and a member of the Senate Commerce Committee, Senator Magnuson. (*Applause.*)

Senator Magnuson:

Thank you. I want to borrow for just a moment at the outset Senator Ball's phrase "bread-and-butter" economy. Outlawing the closed shop would put your affirmative approval on the open shop.

The open shop is a return to a free, labor market. A return to a free, labor market in this country makes the hire of labor only in that degree as the laborer's desperation for a job, and that is the old "bread-and-butter" day when labor was exploited by everybody that hired it in this country. (*Applause.*)

I am opposed to federal action outlawing the closed shop. First, because I believe the closed shop and variations of it proper subjects for collective bargaining between management and labor—and they are proper subjects.

Second, because the closed shop is not the fundamental cause of labor-management strife.

Third, because the passage of such legislation strikes a body blow at unionism itself, and therefore at the standard of living achieved by the workers of this country.

At the outset, let us dispel the popular misconception concerning the position of certain members of Congress. The great majority of Congressmen and Senators appreciate first, that the labor-management controversy is our No. 1 domestic problem; and, second, that something must be done about it, but the impression has gone abroad that those who oppose legislative suggestions, such as the bill we are discussing tonight, are necessarily in favor of a do-nothing policy. The contrary is true.

Opposition to proposals, such as the Ball bill and the Case bill, is based upon the firm conviction that these legislative suggestions would not help the problem, but the practical effect would be to cause even more labor-management chaos. (*Applause.*)

To clarify my own attitude, Mr. Wilson of General Motors testified before the Senate Labor Committee that he would, under no circumstances, sign a closed shop agreement. I don't object to that. What I object to is legislation that would not allow someone else to enter into such an agreement if they choose.

The closed shop is, and has been for the last fifty years, a proper subject for collective bargaining between management and labor. That this is true can be seen from the fact that 30 per cent of the fifteen million members of organized labor in this country are

working under closed shop contracts. Another 47 per cent are working under contracts containing modified versions of the closed shop.

In fact, the closed shop and variations of it, have become an integral part of our industrial program.

Here is what one employer, for instance, the *Pioneer Press* of St. Paul, Minnesota, where Senator Ball used to work before he came to the Senate—and I may say a pro-Ball newspaper — says about this subject: "In many industries," says the *Pioneer Press*, "the closed shop has existed for decades and has practically become incorporated in the structure, in the operating conditions, of those industries. This is notably true in most branches of the printing industry."

Says the *Pioneer Press*: "Why should it be illegal or against public policy for a newspaper or printing plant to make a contract whereby it designates a union as its agent to supply it with qualified printers in any and all numbers that may be needed from day to day. This is simply an efficient and convenient method of turning the supply of this group of skilled workers out on contract. Where mechanical trades are concerned, it is entirely feasible to put into the hands of a newspaper union the function of supplying competent workers.

"The subject of the closed shop is a complex of a great number of rights and wrongs. So much so that it seems a mistake to try and legislate against the wrongs by any simple enactment sweeping away the whole institution.

"With proper regulation of all other labor practices, it seems to be a subject that should be left to the voluntary agreement and adjustment between the employer and the legally established representatives of his employees." (*Applause.*)

Recently, the United States Steel and the C.I.O. steelworkers extended their contract for 90 days without change. To me, it was interesting to read the 13 noneconomic demands which big steel presented to the union as part of the basis for collective bargaining.

One of these demands was for an open shop. You and I know that when management and labor sit across the table from each other to bargain these demands, compromises will be reached. There will be give and take on both sides. I doubt that either side expects to come out of the bargaining process with everything it asks for.

My point, however, is, that if big steel decides in the bargaining conference it would rather give in on the demand for an open shop, rather than on some other point, it should not be prohibited

by law from doing so. I would interpose no objection because I believe they know their business better than Senator Ball or the Senator from Washington. (*Applause.*)

Outlawing the closed shop does not cut to the fundamental causes of labor-management disputes. All of you are familiar with the recent strikes which have been responsible for the flood of legislative proposals in Congress. What were the basic issues in those strikes?

In the coal strike, a year ago, the main point of issue was the miners' demand for a five-cent per ton royalty on coal to establish a welfare fund.

The strike by the same union last fall was caused by a difference of opinion between the union and the Government as to the meaning of certain sections of the contract. Neither in these strikes nor in the railroad strike was the closed shop involved. Outlawing the closed shop would not have eliminated these.

Organized labor has played a major role in raising the standard of living for the workers of this country, both union and non-union. Indirectly, this has contributed to the welfare of the entire Nation by providing an increased market for goods and services.

A strong and virile organized labor that can meet a strong and

virile management across the bargaining table on terms of equality is essential to the economic welfare of this country. Labor cannot remain strong without members and without the opportunity of winning stable financial support for those who participate in its benefits.

I want to point out here that the Senator from Minnesota has introduced a bill which would not only outlaw the closed shop but all variations of it. Passage of such a bill would be a prelude to the destruction of unionism, and when you destroy unionism, we revert to the days when wages acceptable to the most desperate jobseeker set the market price for his class of labor.

Labor, ladies and gentlemen, is not a commodity. The lives of human beings are involved. (*Applause.*)

Moderator Denny:

Thank you, Senator Magnuson. Now, Professor Leo Wolman of Columbia University, as an expert economist in the field of labor relations, will you give us your analysis of these two addresses we've just heard, and then your questions for Senator Magnuson. Dr. Wolman. (*Applause.*)

Dr. Wolman: The Senators are agreed on the facts about this closed shop controversy. There are a lot of facts. The most important fact is that the closed shop is a method of compulsion.

Senator Magnuson is opposed to prohibiting this form of compulsion and his principle reasons for opposing it, I gather, is that if you outlaw the closed shop you will destroy unions or, to turn his argument around, unions can't survive without the closed shop.

This is an important point because no one wants to destroy unions in the United States. The principle argument the Senator has to support this point is that 77 per cent of the fifteen million union members work under a partial or total closed shop. He fails to note that the Railroad Brotherhoods, which are old and strong, never had the closed shop.

For the rest, the Senator's arguments are negative. They amount to saying that the closed shop isn't important, because he doesn't consider it a fundamental cause of labor strife. He believes the whole matter to be no affair of the Government anyhow, because the closed shop, he thinks, ought to be the subject of voluntary collective bargaining between employers and unions.

On the first point, whether prohibiting the closed shop will destroy unions, Senator Ball raises an argument which is very hard to answer. He says that the Wagner Act makes the closed shop as a means of strengthening unions unnecessary, and there's a lot of force in that argument. The fact is that the Wagner Act caused the

enormous growth of unions since 1935, in which the closed shop did not play a major part. It is the terms of the Wagner Act which promoted unions and protected them.

But Senator Ball goes further. He believes it to be unsound public policy to allow unions to use means for strengthening themselves, which violate the fundamental rights of individuals and minorities.

There is here a conflict of rights—the right of a union to exist and to strengthen itself, the right of an individual to work and earn a living, and the right of minorities to disagree with majorities and to survive. Where such a conflict exists, it is clearly a function of Government to try to resolve it by means of public policy.

Pursuing a similar argument, Senator Ball opposes a closed shop because he thinks it promotes private monopoly, and he is against private monopoly, whether fostered by unions or by business.

Senator Magnuson thinks nothing should be taken away from the power of unions because unions have contributed so much to labor's welfare. My question is, if the contribution of unions has been so great, why do they need so much compulsion to keep men and women in the unions? (*Applause.*)

Mr. Denny: Thank you, Dr. Wolman. Senator Magnuson, will you comment on the question?

Senator Magnuson: Compulsion is a loose term. Compulsion in law is a loose term. If the labor unions have used compulsion, and I don't doubt in many cases they have, the patient may have tonsillitis, but the compulsion that Senator Ball suggests is to cut his head off to cure the tonsillitis. (*Applause.*)

Mr. Denny: Thank you. Have you got another question for Senator Magnuson?

Dr. Wolman: Yes, I have this question. I want to address myself to—

Senator Magnuson: I just finished one sentence.

Mr. Denny: Oh, I thought you had finished.

Senator Magnuson: Not only the compulsion he suggests, but he would say to you and me, Mr. Wolman, that we couldn't sit down—you as a fair employer, and me as a fair representative of my employees—and make a legal contract whereby you and I would work out the differences by arbitration and go on and produce in that manner.

Dr. Wolman: Well, I thought that was an old idea in American law and in American public policy, that the Government, from time to time, has prohibited well-meaning people from sitting down and agreeing on things that are contrary to public interest. I don't mind their sitting down. (*Applause.*)

Senator Magnuson: You are talking about the abuses of collective bargaining. We admit there are certain abuses in collective bargaining, but we think over-all collective bargaining—sitting down in collective bargaining between employer and employee—is not an abuse of the public welfare. (*Applause.*)

Dr. Wolman: This is getting to be like all debates, where we wander from the subject. I'm not talking about collective bargaining, I'm talking about the closed shop. I say the closed shop is contrary to public interest (*shouts and applause*), or to put it this way, I think Congress ought to make up its mind that the closed shop is contrary to public interest.

Now Congress did make up its mind 10 or 15 years ago that collective bargaining was not contrary to public interest, but you can still bargain collectively and not use a pistol at people's heads to force them to bargain through you and through nobody else, and that's what we've been doing. (*Applause.*)

Mr. Denny: Thank you, Mr. Wolman. Now, Mark Starr, as educational director of the International Ladies' Garment Workers Union, and an expert in this field for many years, may we have your analysis of the statements on this question for Senator Ball? Mr. Mark Starr. (*Applause.*)

Mr. Starr: May I say that the majority of people belong to unions because they want to be there. They are proud of their membership for what they get out of it. They are making industrial democracy work in the workshop. That is their participation. (*Applause.*)

Listening to Senator Ball and listening to his eloquent sincerity, made me think of the bear that saw a fly on the face of his friend. He just fatally swatted that fly.

Senator Ball sees abuses, but he should be careful that, in swatting the fly, he isn't doing something which is going to jeopardize the future peaceful proper development of industrial relations in this country. (*Applause.*)

In the past, Senator Ball has been on the side of the angels, but at the present time, and in 1941, as late in 1941, he, with all his eloquent sincerity, opposed the legal prohibition of the closed shop.

Now, unfortunately, he is lined up with the reactionaries, who, because they want to smash unions—and with all deference to Dr. Wolman, there are people in this country who want to smash unions, who are trying to do it by their actions at the present moment—now, unfortunately, he has lined up with the reactionaries who want to prohibit by law an institution which despite minor abuses has made for stability, mutual respon-

sibility, and intelligent cooperation in industrial relations.

Fortunately, however, it's not likely that the Senate will follow the bad example of some of those states where industry is very young and union hating is very strong.

Senator Ball ignores the right of the union worker to refuse to work beside a nonunionist. He is all in favor of the right of the individual to be a free rider. He isn't in favor of preserving the majority right of members in the shop who say that if you enjoy union conditions you pay union dues, because there is no case on record ever of a nonunionist refusing to accept union-won benefits. If anyone has a case here, I'd be glad to hear about it.

No one is compelled to work in a union shop. There are 15 million trade unionists. There are 40 million wage workers in this country. If anybody wants to work in a scab shop, there are plenty of them yet, but if he enjoys the rights of the union shop, he accepts his responsibility. That surely is democratic procedure.

Senator Ball, however, wishes to violate majority rule and escape the group discipline which is inescapable in our modern life. He ignores the real cause of industrial dispute to ride off on a tangent against the closed shop.

The real cause of industrial disputes is the sense of unfair treatment, the low wages, the high

prices, and the excessive profits. Now, he's concentrating upon the prohibition of the closed shop which is actually approved by many far-sighted employers and by many of his fellow Senators, Republicans and Democrats alike.

Our two Senators in New York State know enough about industry to know that you can't legally prohibit the closed shop without throwing a monkey wrench into industrial relations as they are at the present time. (*Applause.*)

People think that a strike is sort of a criminal conspiracy. It's simply a refusal of workers to sell their labor power at an unfair price.

Senator Ball would disrupt the cooperative pattern. For lack of a true picture of what is happening, he is only thinking about coercion of individuals—the minority individuals—and not about the possibility of fruitful constructive cooperation which is already operating between management and labor under the closed shop. (*Applause.*)

Mr. Denny: Thank you, Mr. Starr. Now, your questions for the Senator.

Mr. Starr: I want to ask Senator Ball doesn't he think that with thousands of agreements operating in the United States, with the closed shop, and a great deal of constructive cooperation going on that it's rather foolish to pass a law saying, "Thou shalt not"?

How can legal prohibition help? Won't it hurt, rather than help?

Senator Ball: Well, in answer to the question, I think there was a large area in American industry in the 1890's that was operating under trusts and cartels, but that didn't stop Congress from prohibiting them.

I think the fact that monopoly works very well and is stable and very beneficial sometimes for those who are running the monopoly, is no sound argument for it so far as the general public is concerned because the general public always pays. (*Applause.*)

Now, if I may be permitted, Mr. Starr spoke about a '41 speech I made. It's quite true—I've always regarded the closed shop as illiberal. I did oppose outlawing it in 1941, at the beginning of our great war effort. That didn't seem to me the right time to make any drastic change in labor policies.

He mentioned industrial democracy. What kind of democracy is it which annihilates, exterminates, the minority? That's not my idea of democracy. (*Applause.*)

As for this right, this intolerance of the union worker to work alongside the man who may have convictions, as the members of the Dutch Reformed Church have against joining a union, I can't see that that attitude is much more American than the attitude of individuals who will not work or eat or go to the

theater where Jews, or Negroes, or members of different races are permitted. I don't think that is the kind of attitude that builds a tolerant, free America. (*Applause.*)

Mr. Starr: I want to ask Senator Ball if the union is expected to carry through the terms of its contract with the employer, does not that involve some control over the members, with the right to

expect them to pay union dues, to abide by union rules democratically made to meet both the immediate and the long-time majority interests of the workers in a given shop? Or does he think that modern industry can be run with the emphasis upon the rights of the individual minority? Does he think that's possible in modern society?

Senator Ball: Well, I think there

THE SPEAKERS' COLUMN

MARK STARR—Mr. Starr was born in 1894 in Shoscombe, Somersetshire, England. He was graduated from London Labour College in 1920. In 1928, he came to the United States where he became a naturalized citizen in 1937.

At the age of 13, he was a builder's mortar boy. From 1908 until 1915, he worked as a coal miner. After his graduation from college, he taught economics and social history for the South Wales Miners Federation. Then he taught Esperanto for the London County Council.

From 1921 to 1928, Mr. Starr was divisional organizer and lecturer for the National Council of Labour Colleges of England. After coming to the United States, Mr. Starr taught British labor history and economics at Brookwood Labor College at Katonah, N.Y., from 1928 to 1933, and was extension director in 1934. Since 1935, he has been educational director of the International Ladies' Garment Workers Union.

Mr. Starr has written several books on labor problems.

WARREN GRANT MAGNUSON — Warren G. Magnuson, a Democrat, was elected to Congress from the State of Washington in 1937, at the age of 32. He was born in Moorhead, Minnesota, and attended both the University of North Dakota and North Dakota State College. In 1929 he received his LL.B. degree from the University of Washington and soon after began his law practice. For one year, Congressman Magnuson served as special prosecuting attorney of King County, Washington. Then he was elected to the Washington State Legislature.

After one year in the State Legislature, Congressman Magnuson was appointed assistant U. S. district attorney, and an attorney of King County.

LEO WOLMAN—Dr. Wolman has been a professor of economics at Columbia University since 1931. He was born in Baltimore, Maryland, in 1890. He has an A.B. and a Ph.D. from Johns Hopkins. For short periods he taught at Hobart College, Johns Hopkins, and the University of Michigan. From 1919 to 1928 he was a member of the faculty of the School for Social Research. From 1920 to 1931 he was also in charge of research for the Amalgamated Clothing Workers of America. A member of the research staff of the National Bureau of Economic Research, Dr. Wolman has served on numerous commissions and committees concerned with industrial relations.

Dr. Wolman has written several books on trade unions, and labor problems, and economics. He was also associate editor of the *Journal of the American Statistical Association* from 1920 to 1934.

JOSEPH HURST BALL—Senator Ball, Republican, who was appointed United States Senator from Minnesota in October, 1940, to fill the unexpired term of the late Ernest Lundeen, was elected to continue in that position in 1943.

Born in Crookston, Minnesota, in 1905, Senator Ball attended Antioch College and the University of Minnesota. He worked as a reporter for the *Minneapolis Journal* and the *St. Louis Pioneer Press*. He went to the latter paper in 1929, and from 1934 until 1940 was state political writer. He is a member of the Senate Labor and Public Welfare Committees.

are plenty of industries that are run without having a union shop, or a closed shop, or in many cases even maintenance of membership, where the conditions are extremely stable. I will cite you only one industry where there is an absolute closed shop in most of our metropolitan cities, namely, the construction industry, which is more strife ridden, particularly by jurisdictional disputes, than almost any industry we have.

I think this argument that the closed shop contributes to stability is a lot of bunk. (*Applause.*) It's true that many businessmen have an inherent tendency toward monopoly. It is easier to handle your labor relations, deal with one business agent who has absolute control over all the men who work for you than it is to deal with free workers, but I don't think it's democracy. (*Applause.*)

Mr. Denny: Thank you, Senator Ball. Now we have an eager Town Hall audience ready to get in on this question period, but while we get ready for this part of tonight's discussion, I'm sure that you, our listeners, will be interested in the following message.

Announcer: You are listening to America's Town Meeting of the Air, brought to you by Town Hall and the American Broadcasting Company, originating tonight in Town Hall, New York, and conducted by George V. Denny, Jr., president of Town Hall.

You have heard Senator Joseph H. Ball, Senator Warren G. Magnuson, Leo Wolman, and Mark Starr discussing the question, "Should Congress Outlaw the Closed Shop?"

For your convenience, we print each week the Town Meeting Bulletin containing a complete record of tonight's discussion, including the questions and answers that follow.

You may secure tonight's Town Meeting Bulletin by writing to Town Hall, New York 18, New York, and enclosing 10 cents to cover the cost of printing and mailing.

If you would like to have this Bulletin, in a handy pocket-size, come to you regularly each week, enclose \$1 for 11 weeks, \$2.35 for 6 months, or \$4.50 for a year. Remember the address—Town Hall, New York 18, New York, and allow at least two weeks for delivery.

Each week, we hear of new groups being organized to listen to and discuss our Town Meeting programs immediately following these meetings. Have you organized a Town Meeting in your home, school, church, or club? It's fun, it's good citizenship. It's the American way of increasing your understanding. If you have such a group, or plan to organize one, drop us a line here at Town Hall, New York 18, New York.

Now for our question period, we return you to Mr. Denny.

QUESTIONS, PLEASE!

Mr. Denny: Now we are ready for the questions from our representative Town Hall audience. Please limit your questions to 25 words. The gentleman in the rear of the hall.

Man: A question to Senator Ball. Does not organized labor insist upon the closed shop because it is not convinced of the sincerity of employers' voluntary acceptance of unionism in industry?

Senator Ball: Well, I'm afraid that they just don't believe in the laws that are on the statute books because whether the employer accepts unionism voluntarily or not, if the union gets the majority of his employees, he is compelled by law to recognize that union and bargain with it as the exclusive representative of all his employees. *(Applause.)*

Mr. Denny: Thank you. The gentleman over here.

Man: Senator Magnuson, I would like to know in view of the importance of the problem under discussion, and as a matter of fairness to all concerned, would it not be advisable to submit this to a referendum for the public to decide as to whether it wants a closed shop or not?

Senator Magnuson: Well, I can answer that. Of course, as a matter of fact, the trouble with passing federal legislation involves

that very question. There are many states that have taken action on this question. All states can within themselves. There's a grave legal doubt whether or not the Federal Government can take action. The Federal Government has in some instances.

I think we ought to dispel the idea right now, which Senator Ball has advanced, that certain recent legislation may have made the closed shop legal. The closed shop, or the open shop, or anything that comes up between the employer and the employee, that is not illegal per se, has always been legal. The Wagner Act only makes it permissive. The language was superfluous in the Wagner Act.

I don't know just what the mechanics would be of submitting it to the people, but I do know that every state in the Union has the purely constitutional and legal right to act on this question. There's a grave legal doubt whether the Federal Government, the Congress of the United States, can take action to prohibit any group of citizens from sitting down with another group of citizens and making a contract that is not in itself illegal per se.

Mr. Denny: Thank you. The gentleman here.

Man: I'm directing my remarks to Dr. Wolman. If Senator Ball's proposal succeeds, wouldn't Amer-

ican labor see the return of a nefarious company union, "the goons," and the sweat-shop era, which you yourself once fought against when you were in the labor movement?

Dr. Wolman: Well, anyhow, let's talk about company unions first. There isn't anything illegal about a company union under the law. A company union is an independent union. It's got just as much status under the law as any other union. Any union which is company dominated, under the law is illegal and the law takes care of it and there isn't any reason why any private agency should take care of it.

Now, as for goons, to define the term I'll leave that to the audience's imagination. As for goons, everybody in this country seems to use them. So far we haven't had any law enforcement that stamps them out, whether they're used by employers or by unions.

Mr. Denny: Thank you. Now, we'll take a question from the gentleman in the balcony.

Man: I had originally intended my question for a legislator but I think that it would be interesting to get the point of view of labor. *Mr. Starr,* I'd like to know what the attitude of labor would be if, rather than have the unions take over these conditions—these benefits that we are all getting—to have the Government institute

these regulations, these benefits for all labor and not for the individual skilled worker, where only the skilled worker will gain, and those that are not skilled will just have to dig in the mire?

Mr. Denny: Excuse me, but what does that question have to do with the closed shop?

Man: Well, in the topic of the closed shop, a union can exclude a nonunion member. However, if there are no unions and if all labor is regulated by the Government, there is no such thing as a closed shop and everybody will benefit. There will not be any—*(words indistinguishable.)*

Mr. Denny: Since we've got your proposal, we will comment on it, but please confine your questions to the subject under discussion, "Should Congress Outlaw the Closed Shop?"

Mr. Starr: My reply would be that no single group in this country has fought more consistently and more successfully to get minimum wages which benefit not only their members but everybody who works, so the labor movement, whatever mistakes there have been, it has quite a clear conscience on that issue.

Senator Magnuson: I'd just like to add just a little bit to that answer. What would happen if the government stepped into the regulation of all these conditions? You'd have complete totalitarianism, you'd have the same experi-

ence of England, you would revert to state socialism, and if industry and labor wants to pay that price, pass such a bill as the Ball bill. (*Applause.*)

Mr. Denny: Thank you. The gentleman in the balcony here.

Man: I'm Southern Regional Director for the C.I.O., Retail and Wholesale Employees' Union. I'd like to ask Senator Ball if the elimination of the closed shop would lead to an even greater evil in the United States in the sense that unions will automatically move to remove all arbitration procedures within contracts, because they will refuse to arbitrate any disputes involving a nonunion member? This in effect will create a greater danger in America than the union shop presently implies.

Senator Ball: Frankly, I have more confidence in the common sense of union leaders than you seem to have. I don't think they'll do anything as crazy as that whether they have a closed shop or union shop or not. (*Applause.*)

Mr. Denny: Thank you. Mr. Starr.

Man: Mr. Starr, on the theory that we are all interested in the greatest good for the greatest number, can the closed shop eliminate a cost in the economy?

Mr. Starr: I think that the closed shop has eliminated cost in the economy because when the union is no longer fighting for its life, so long as the employer

insists on the open shop which means a shop closed to union members, then once the union has got away from its struggle for existence, then it can sit down and does sit down with the employer to increase productivity. That, sir, is the fact and I'm not theorizing. I can't give you a reply to your question, but I'd be glad to mail you or have you sent enough items in order to prove that up to the hilt.

Mr. Denny: Thank you. Senator Ball has a comment on that.

Senator Ball: I'd just like to have Mr. Starr indicate how the closed shop in the construction industry has contributed to increased productivity. My experience is exactly the reverse. (*Applause.*)

Mr. Denny: Mr. Starr, would you care to comment?

Mr. Starr: I would say that the closed shop in the building industry has contributed, as the employers themselves will witness, to the efficient operation of that industry. Whether they have reduced the cost of building, that is something over which the building operatives as such have no control.

Mr. Denny: Thank you. The lady in the red blouse.

Lady: My question is addressed to Senator Ball. If nonunion persons were permitted to work alongside union men, who may have made many sacrifices in order to obtain a fair standard of wages and working conditions, don't you

think it would result in continual controversy between the two groups, thereby creating chaos for both management and labor? (*Applause.*)

Senator Ball: Frankly, I don't think it would unless some union leaders interested in stirring up trouble sowed the seeds of such discord. As a matter of fact, I had a letter from a printer back home who was working in a print shop in the Twin Cities in Minnesota. The union wouldn't let him join the union, but they're letting him pay so many dollars a week for the privilege of working, and I would wager that 90 per cent of the members of that union never sacrificed anything except paying their dues. They haven't had any serious strikes in Minnesota for the working conditions under which they work. That is a strictly phony argument in most cases. (*Applause.*)

Mr. Denny: Senator Magnuson has a comment here.

Senator Magnuson: I just want to add another serious aspect to the question. Congress could not legally under any circumstances, constitutional or otherwise, if they passed this bill, make it retroactive. Therefore, there are many contracts in existence, some running for months, some for years, and for the next two or three or maybe even five years, during the term of these contracts, if Congress did pass a bill, you would have exactly the chaos that you're speaking

about not even considering what might happen when nonunion and closed shop members work side by side in the future beyond that.

Mr. Denny: Thank you. Mr. Peter Grimm.

Mr. Grimm: My question is directed toward my fellow trustee, Mr. Starr. Other countries in the world, notably England, have developed strong, powerful unions and thereby have developed a responsible leadership. Why must we have closed shops when other countries have gotten along without closed shops and wouldn't have them if they wanted them?

Mr. Starr: I'm glad to answer that question because it enables me to clear up a misunderstanding or a possible inference which is incorrect in Senator Ball's talk. He says there is no closed shop in the contracts abroad, which technically speaking is true. But I've worked in the British mines and we used to have to show cards regularly to see that the people who enjoyed union conditions belonged to the union.

If that was tyranny, well, it was tyranny in the name of the public good in order to prevent an unsocial minority riding on the backs of the other people. As I say, you have had a union shop in other countries, but it is quite true to say that it's never been put into the contracts.

Now this I have in common with my trustee. We want a responsible

leadership. We want a responsible, intelligent membership, too, because the two things go together. That we share.

The reason why it is has not been developed abroad, why the insistence is that that right to organize is not being stained with blood and sweat and tears—and that is not phony no matter what Senator Ball said just now; there are people here who shed some of that blood and sweat and tears and it's not phony, make no mistake about it—but in no other country have the employers made the organized, sustained attempt to smash the unions. So when you have won a jurisdiction, when you have won a sovereignty, then you are very jealous about it.

That I think is the explanation why you have the insistence in the American labor movement on the closed shop which you don't hear so insistent and so articulate in other countries. (*Applause.*)

Mr. Denny: Dr. Wolman?

Dr. Wolman: I don't want to answer this question. I want to ask Mr. Starr the question in another form. If it's correct that in England they have the closed shop in substance if not in form, why is it that very recently under their own government the British unions have begun to fight for the closed shop?

Mr. Starr: Because they too are tired of carrying free riders. If I send my kid to school—private

school—at least I expect to pay the rate. If I join a club, unless I want to get thrown out, I pay my dues. The British trade unionists, as the trade unionists here, have got tired of doing work representing people in collective bargaining and then allowing those people to escape their due and proper obligations, they always being a small antisocial minority whose interests should not govern the general decision.

Dr. Wolman: I think it's a contradictory answer because I think what Mr. Starr first said was that people had to pay their dues else they couldn't work but that they didn't have the contract in form. Now they want it in form, and I think I know why they want it in form. It is because they have become like the American unions have been for some time — imperialistic — and they don't like to envision anybody in any industry working in England unless he belongs to the union.

The particular dispute over which the closed shop issue was raised was in fact a dispute between two unions among the London transport workers — a small union which had been in existence for a long time, and a large union. The large union, like the large unions in the United States, decided it was time to swallow up the small union regardless of the virtues of the small union or the benefits that might accrue to its

members, or the desire of its members, and that's a typical American situation.

Mr. Starr: I only spoke with reference to the industry which I knew from experience. In many areas, there was not a union shop, but the British unions were accepted as part of the folkways of that country. They were never here. Right up until the Wagner Act, you had company unions subsidized. You had the scum of the underworld used in order to smash unions. That is in the memory; that's the hangover. If you think I'm guessing now, go back and read the LaFollette report. It is in any public library and you can see. I'm not theorizing. (*Applause.*)

Mr. Wolman: I'd like to make one more comment about a thing which is generally misunderstood in the United States, and that is that British labor relations are peaceful. You want to go back to the general strikes of 1926, and to the Trades Disputes Act of 1927, which had in it a clause which we ought to have in our Federal labor statutes, which outlawed all kinds of violence and made it illegal for representatives of the union to go to peoples' homes and beat them up and intimidate them. That is one of the laws which was rescinded by the labor government. (*Applause.*)

Mr. Denny: Thank you. The

gentleman over there in the gray suit.

Man: My question is for Senator Magnuson. Could you condone a contract which would lead to a closed shop strike to force the membership or the dismissal of an employee of many years' service who does not wish to join the union?

Senator Magnuson: I condone any contract that is voluntarily entered into if any employer or any intelligent labor union leader or representative of the employees should place such a clause in the contract. It should be denied by both sides or any attempt to place it in the contract. I entirely agree with you that some of these contracts in the closed shop contracts have some provisions that are bad, but what we're speaking about here is denying the right of you and I to enter into a decent legal closed shop contract.

Mr. Denny: Thank you. The lady here in the hat.

Lady: Senator Ball, isn't it a fact that so many people in your locality or other localities have no trouble with their employees and get along so well with them—that they've made conditions so well—because the "big stick"—the union—is close by, anyway?

Mr. Denny: Senator Ball, in fifteen seconds, please.

Senator Ball: Well, I don't think peaceful relations bought at the expense of a big stick clubbing

individual employees is a healthy peace. (*Applause.*)

Mr. Denny: Thank you, Senator Ball. Now, while you and Senator Magnuson prepare your summaries for tonight's questions, here's a message of interest to you.

Announcer: Before you hear the summaries of tonight's discussion, let us remind you once again that America's Town Meeting of the Air is your Town Meeting. We welcome your suggestions and comments and arrange these programs in response to your expressed opinions.

Each week more of our ABC stations are securing local public-spirited sponsors for this program who present it over your station as a public service. Our sponsors have no voice in selecting subjects or speakers, nor do they wish to have. The American system of radio is supported by the advertising of American business, directly or indirectly. When Town Meeting is sponsored in your community, remember it will be sponsored by a business firm that believes in the same fundamental American principles of free discussion that you do.

Through free and honest discussion, with mutual respect and good will, we can find the right answers to the problems that beset our Nation and the world.

Now, for the summaries of tonight's discussion, here is Mr. Denny.

Mr. Denny: Thank you. Senator Warren Magnuson with his summary for the negative.

Senator Magnuson: We've heard a lot tonight, of course, for the reason for this legislation, of the isolated cases of abuse, of collective bargaining agreements, but it seems to me that Senator Ball's quarrel in this case, sifted down to its real issue, is not at the closed shop but the strength and power of the unions, and the misuse in some cases of this power. This is entirely a different issue and one that places the proponents of some of this legislation in a true light.

I see nothing wrong in strength or power in and of itself. If power is misused, let us direct ourselves to the abuses and not to destruction of power itself, which such a bill as this would do.

To illustrate my point, the most powerful nation in the world is the United States, and we are using that power in this very city at a conference table, but no one, to my knowledge, is recommending that we destroy that power—only that we use it constructively.

So with labor unions, and let's direct our energies, our legislation, in efforts along those lines rather than completely to destroy labor unions themselves. (*Applause.*)

Mr. Denny: Thank you, Senator Magnuson. Here is Senator Ball with his summary for the affirmative. Senator Ball.

Senator Ball: I think it is sig-

nificant that Senator Magnuson again has compared the power of unions to the power of government. Our argument against the closed shop is very simple. It's a fundamental violation of individual rights, and it is a complete monopoly of employment opportunities in private hands, both of which are intolerable in a free society.

As for the argument that it will hurt the power of unions, that doesn't hold since the Wagner Act was passed. Today, the closed shop consolidates the power of unions, not to deal with employers but their power over employees.

The arguments for it you'll note are all those of expediency, stability—the same old arguments that have been made for every monopoly since history began.

They talk about industrial democracy as an argument for the closed shop. Whoever heard of a democratic system, as we understand it, that insisted on the right to exterminate the minority, which is what the closed shop does. (*Applause.*)

Mr. Denny: Thank you, Senator Ball, Senator Magnuson, Leo Wolman, and Mark Starr for your enlightening counsel on this question. Many people wonder now why we don't take a vote of the audience after a clear-cut debate like this one. Well, we don't, because we want you, the American

people, to make up your own minds on this question.

This is a Town Meeting of Americans all over the Nation, not just those here in Town Hall, New York. We do not want to attempt to influence your opinions by the votes of 1,500 people here in Town Hall or any other city where our program originates. We want all of you, wherever you are, to have the best counsel we're able to bring to our microphone and let you make up your own minds.

If you want to make your opinions really felt on questions before Congress, you can write to your own representatives in Congress and give your own reasoned opinions, and be sure to tell them that you heard both sides on America's Town Meeting.

Next week we want you to hear four sides on another vexing question—"How Can We Get and Keep Good Teachers in Our Schools?" Our speakers will be Dr. Pearl A. Wanamaker, president of the National Education Association and Superintendent of Public Instruction for the state of Washington; Mrs. Rose Russell, former New York City high school teacher and legislative representative of the Teacher's Union C.I.O.; Benjamin Fine, education editor of the *New York Times*, and Congress J. Edgar Chenoweth, Republican of Colorado, former member of the House Education Committee.

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